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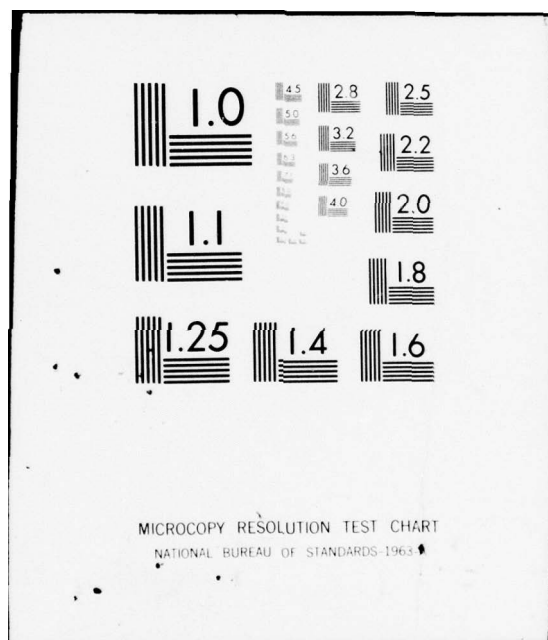
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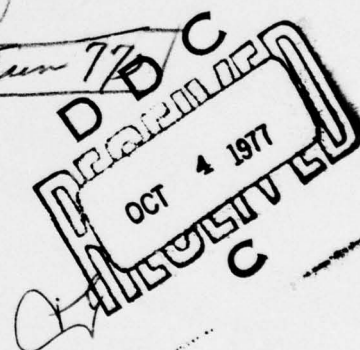
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THE STRATEGIC IMPLICATIONS OF POTENTIAL PCI PARTICIPATION
IN THE GOVERNMENT OF ITALY

An Overview

Simon Serfaty
School of Advanced International Studies
The Johns Hopkins University

In a general sense, the papers prepared for this Seminar attempted to fulfill three objectives:

1. To provide an analysis of the current Italian political setting;
2. To foresee and describe the possible foreign policy actions of the PCI if and when the PCI enters the Italian government;
3. To consider the implications which such a situation would have on U.S. interests, and to examine the options available to the U.S. on this question of PCI participation in the government.

Three Paradoxes of the Domestic Setting

When dealing with Italy's domestic setting, these papers brought to light three paradoxes.

1. Italy's domestic instability stems from its excessive domestic stability.
 - a. Evidence of this domestic stability can be found in election results, the makeup of government coalitions, party participation in the ministries, etc. The Italian voter, usually not issue oriented, has traditionally voted on the basis of sub-cultural beliefs and party organization -- hence the steady nature of the voting patterns.
 - b. Yet, all of the participants have essentially disagreed with the "more of the same" prognosis. In Dr. Luttwak's words, "the present tacit cooperation cannot continue for very long." The pre-existing electoral pattern appeared to end with the divorce referendum. More specifically, the electoral base of the majority party (DC) has been eroded significantly over the last five years to the benefit of the PCI.

- c. The future of the PCI depends therefore on three considerations:
 - First, Can the DC reorganize itself (end its factionalism, renew its leadership, restore its electoral appeal)?
 - Second, Can other parties (especially the Republicans and the Socialists) recover from their disappointing performance in June 1976?
 - Third, Will the PCI's internal contradictions escalate further while the Communist leadership continues to consider the pros and cons of the Party's participation in the government?
 - d. While the PSI and the Republicans are likely to continue to play an important role in the Italian political process, and even regain some of the votes lost in June 1976, no sudden and dramatic gain can be expected for either of these two parties. Finally, with regard to the last question, the events of the past few months, within Italy as well as within the parties themselves, seem to confirm the assumption that the present status quo is unlikely to persist much longer. Ongoing negotiations between the two dominant Italian parties will bear close watching.
2. Participants to the Seminar also agreed with the paradoxical assumption that in spite -- or because -- of its instability, Italy still remains America's most stable ally along the Southern flank. However, Edward Luttwak's warning that even the present status quo may lead to "a

continuing relative decline in the Italian contribution to NATO force-deployments ... and a further decline in the Italian government's flexibility vis a vis U.S. activities not fully integrated in NATO," pointedly suggests that there are limits to the continued reliability of an Italy that remains politically and economically in a state of crisis.

Needless to say, all Seminar papers recognize Italy's vital importance to the U.S. -- in Aronson's words, "a key to the control of the Mediterranean basin which not only guards the strategic approach to Western Europe, but to Africa and the Middle East." So vital indeed that for Osgood, an Italy under the control of the Soviet Union would make it possible for Moscow to deny NATO use of the Mediterranean, thereby "drastically upsetting the balance of power" and causing a "systemic change of major proportions." But such a scenario was deemed by Osgood and others as "unlikely."

3. Finally, and no less paradoxically, most observers underlined the substantial influence of the U.S. over the PCI. With the exception of Aronson who spoke of the PCI as "working with the best interests of the Soviet Union in mind," it was generally agreed that Moscow's influence over the Italian Communists had been steadily decreasing since 1956. In Serfaty's words, "Up to 1956, it is quite clear that the PCI behaved as a faithful follower of Moscow's lead.... During the period 1956-1964, efforts were resumed to insure a certain autonomy of the Party without breaking the Soviet connection ... By 1962-64 ... a third phase opened ... which included a progressive de-alignment from the Soviet Union." Such a de-alignment naturally

came together with a progressive alignment with the Western views on such vital issues as EEC and NATO membership.

Likely PCI Policies

1. There was general agreement that even in power the PCI would continue to remain, to the extent of the possible, all things to all people.

2. There was also general agreement that PCI participation would require no formal change in the Atlantic Alliance. Aronson, however, stressed the potential for subversion. Yet, everyone seemed to agree with Osgood's conclusion that while the PCI would prefer to keep Italy in NATO, the tendency would nevertheless be strong to leave, especially if responsibility for such a decision could be placed upon the other Italian parties or the U.S. In Osgood's words, adopted in different ways by other seminar leaders and discussants as well, "The PCI would initially prefer to keep Italy within NATO for reasons of domestic as opposed to national or international security. Only over the long run might they be tempted to leave. The desire might be especially strong if the onus for such actions could be placed upon the United States or the Christian Democrats. Sanctions would provide the ideal stimulus for moving in this direction." Notice the distinction made between the short and the long run: ultimately, as everyone agreed, the PCI would prefer a "de-Atlanticization" of Europe.

3. The switch on the European issue took place in the early sixties. The benefits derived from the EEC were already obvious by that time. In addition, the "discovery" of the European issue provided the PCI with new opportunities to move beyond the bipolar world configuration. In Serfaty's words, "Europe could assist in the weakening of America's leadership and thus emerge as a much wanted alternative to the Atlantic Community."

4. As noted above, Aronson, took the most extreme position on the question of possible Soviet influence. Most of the papers, on the other hand, argued that the PCI would continue to respond to the Italian national interest which might or might not be compatible with the Soviet interest. As Johnson saw it, "If it assumes governmental responsibilities in the future, the PCI would find it difficult to ignore or negate the Italian 'national interest' in an independent Yugoslavia." Some saw the Atlantic Alliance as the ultimate protector from the Soviet Union of an Italy dominated by the PCI.

Consequences

1. Everyone agreed that if the PCI enters the government, in any form, it will move slowly and cautiously. Osgood spoke of two influences at work in shaping the boundaries of permissible communist behavior: "the domestic balance of power and the balance within the PCI," and "the activities and words of the West European governments and the U.S. when confronted with formal PCI participation in the government."

2. There was agreement that our response should likewise be cautious and flexible, depending on PCI actions. But a clear warning on the use of sanctions was issued by Osgood: "There is little the United States can do by way of exercising levers and imposing sanctions or political conditions that would prevent the possibly adverse effects of the PCI on U.S. interests in NATO, but there is much that such measures might do to provoke and aggravate the very effects the United States wishes to avoid, while at the same time worsening the state of the Italian economy and enhancing the power of the PCI."

3. More generally, it was found to be difficult to analyze the effects on NATO of PCI participation in the Italian government without a careful consideration of what kind of alliance the Atlantic Alliance ought to be in any case. Again in Osgood's words, "Whether Italy remains in or out of NATO, the chances are that, given the continuation of detente and the relative decline of American power, the Alliance will revert more toward its pre-Korean structure of a U.S. guarantee pact but with a variety of relationships between the United States and its allies, implemented by bilateral arrangements and a variety of relationships between the allies and the Organization." But this is altogether a different problem.

4. A similar approach was taken by Serfaty on the question of Europe: "All in all, the PCI often sounds more nationalistic than any other Italian group. Its participation in the Italian government would not truly imply a systematic change in the positions taken by Italy in the Communities. It would, however, imply a new "hang tough" attitude which would, obviously enough, exacerbate further existing divisions and controversies within the Community."

SEMINAR SERIES ON THE
STRATEGIC IMPLICATIONS OF THE ITALIAN POLITICAL CRISIS

PAPER I:

INTRODUCTORY SURVEY: THE DOMESTIC POLITICAL
ALTERNATIVES AND THEIR IMPACT ON U.S.
STRATEGIC INTERESTS

Edward N. Luttwak
Associate Director,
Washington Center of Foreign Policy Research
The Johns Hopkins University

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STRATEGIC IMPLICATIONS OF THE ITALIAN POLITICAL CRISIS

PAPER I: Introductory Survey: The Domestic Political Alternatives and Their Impact on U.S. Strategic Interests

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1. Higher-Probability Outcomes and Their Implications for U.S. Strategic Interests.

Introductory Note

It is not the task of the series to examine the Italian political situation, and still less to attempt predictions of how it may evolve in the future. What follows is merely a survey of the alternatives, without any sustained attempt to estimate their respective probability. Instead, the configuration of the possible alternatives is noted as a prelude to an outline exploration of their implications for U.S. strategic interests.

(i) "More-of-the Same"

1. It is tempting to regard this as the most probable future if only because of the already long duration of the crisis which dates in effect from the fall of the Tambroni government in 1963.
2. However, the continuing deterioration of the climate of Italian political life is engendering an increasingly explosive social atmosphere; it is eroding the confidence of entrepreneurs and investors; and it is leaving unresolved the "administrative crisis" which has its own downward dynamics, as the state, regional, provincial and municipal administrations continue to deteriorate. All this does not mean that the Italian political crisis will be resolved; it does mean that if it is not, then the "more-of-the-same" will deteriorate into something visibly different, and of a gravity obviously urgent.
3. The ostensible factors at work are variegated. (This incidentally means that the crisis is not amenable to a one-factor solution, including a PCI-only solution). First, there is the decline of the Christian-Democrats (DC) as the organizing political movement of Italian life -- a decline itself caused by phenomena as diverse

as the secular loss of authority of the Vatican, the internal faults of the party bureaucracy, and externally-induced economic pressures which have made it extraordinarily difficult for the party to 'deliver" (that being the critical function for a non-ideological and non-laissez faire party).

4. Second, the failure of the non-Communist reformist parties to widen their base of support and thus create a third alternative between the DC and the PCI. Their failure was in turn caused by factors as diverse as the parties themselves, from the anti-clerical economic conservatives of the Partito Liberale Italiano to the Nenni Socialists. The common denominator of their failure was that they cooperated with the DC in coalition governments without, however, being able to extract support from power, as the DC has always done (i.e. by exchanging administrative favors for electoral support). At the same time, their cooperation with the DC inhibited their attempts to gather support as protest and reform parties.
5. Third, the failure of the right-wing parties to capitalize on the reservoir of support for traditional/authoritarian/clerical ideals in Italian life. The neo-Fascist MSI and the Monarchists (now insignificant) have been undermined by the structural change in Italian life (in 1950 more than 50% of the population lived from the land; by 1970 only 19% did so); and these parties have been chronically afflicted by the particularly low quality of their leadership; and their essential avenue to power was blocked by the DC's monopoly of the Vatican's favor.
6. Fourth, as the counterpart of all these failures, is the success of the Communists. Now receiving a third of the Italian vote (34.4% in the June 1976 elections), the PCI has extracted advantage from the failures of the other parties, while making few mistakes of its own, having both a competent leadership and an effective

organization. What remains to be seen is whether the PCI is any more effective in positive action than the other parties.

Impact of the "More-of-the-Same" on U.S. Strategic Interests.

7. No formal changes but: a continuing relative decline in the Italian contribution to NATO force-deployments; a continuing erosion in the overall political solidity of NATO, of which Italy is the major Mediterranean element; no formal change as far as U.S. activities on Italian soil are concerned, but -- if possible -- a further decline in the Italian Government's flexibility vis a vis U.S. activities not fully integrated in NATO.

(ii) A PCI-DC Coalition

8. The Compromesso Storico (the PCI term for a coalition with the DC) was until recently everyone's most probable candidate for Italy's future. The recent hardening in the attitude of powerful elements within the DC, and the PCI's slightly more doubtful position, have made this alternative somewhat less likely than before. There is of course already a large measure of tacit cooperation between the two parties. Indeed it is only this tacit cooperation which allows the present Italian Government to function at all.
9. The present cooperation entails:
 - (a) The PCI's deputies in Parliament and its Senators do not vote against DC bills germane to the running of the country and its economy (as opposed to bills with a foreign policy content or a family/social content).
 - (b) The DC is careful to avoid provoking the PCI, and has acted to satisfy the PCI in the administrative sphere -- e.g. by ameliorating the access of PCI to jobs in the State-owned sector, including radio and TV networks.

- (c) At a time of severe economic crisis, the PCI has supported the deflationary policies of the DC, not only by Parliamentary action but also by using its political capital with the Communist-influenced trade unions.
 - (d) As a consequence of the above, the PCI is being "legitimized" as a potentially ruling authority, and it is acquiring administrative competence (or at least a reputation for competence).
 - (e) While gaining acceptance among the mainstream of non-Communist voters, the PCI has already lost the support of the radical left, and is endangering its position vis a vis the traditional Communist working class, which now sees their party cooperating with the "bosses" and the DC to keep their wages down (while prices continue to increase).
10. The above summary suffices to show that the present tacit cooperation cannot continue for very long: sooner or later the PCI will have acquired enough "legitimacy" (or lost too many radical or working-class supporters) to want to stay in harness.
11. The Compromesso Storico would differ from the present tacit arrangements as follows:
- (a) economic and social reforms would be an agreed part of the coalition package.
 - (b) the PCI would obtain a party share in the allocation of senior posts in the bureaucracy, and in the large state-owned sector of the economy (more than 50% of the total in capital terms), and, of course,
 - (c) there would be PCI ministers in the coalition government though the PM would remain a DC leader, and the PCI would not hold the internal security and foreign-affairs portfolios (Difesa, Esteri, Interno, Giustizia).

Impact of the Compromesso Storico on U.S. Strategic Interests.

12. No formal impact on NATO, but a wide range of problems, from political doubts in the FRG and the USA, to technical questions, i.e., the need for special security arrangements. However, the considerable vertical autonomy of Italian ministries should offer scope for acceptable-risk solutions.
13. The possibility of a moderate improvement in the Italian armed forces through personnel reforms (i.e. officer/men ratios; rank structure; military education; etc.) and through PCI support for (modest) budget increases.
14. Further restrictions on all U.S. military activities not fully integrated in NATO, or deemed not to be fully integrated, regardless of formal status.
15. A degradation in the perceived solidarity of the U.S. strategic position in the Eastern Mediterranean:
 - As far as the Israelis are concerned, a PCI-DC coalition Italian Government would have to be counted as wholly unhelpful in the event of another M.E. war. As such, a PCI-DC coalition would add further impulse to the drive for self-sufficiency and/or a settlement.
 - As far as the Arabs are concerned, the establishment of a PCI-DC Government would be viewed through the complex spectrum of Arab political attitudes:
 - (a) Conservative Arab leaders (e.g. the Saudis) would treat the advent of a PCI-DC coalition as one more step in the "encirclement" of Arab by Soviet power; their reaction is likely to be a further move towards the West;
 - (b) Radical Arab leaders (e.g. the Algerians) would treat the advent of a PCI-DC coalition as one more step towards the longed-for disestablishment of Western power; their reaction is likely to be a further move towards the U.S.S.R.;

(c) Moderate Arab leaders (e.g. Sadat) could react in either direction, depending on how they calculate their position. They, however, are apt to be more sensitive to the special circumstances of Italy, and would more clearly appreciate the difference between "Communism" and "Eurocommunism".

(iii) A Recovery of the DC

16. It is the general presumption that the DC is too deeply compromised to recover the elan and the authority it mustered during the 1950s. Other observers also point out that the widespread expectation that the PCI will eventually prevail is causing an opportunistic drift to its ranks from the DC. The mechanism of a self-fulfilling expectation is at work, as articulate opinion-shapers and influential money sources "reinsure" with the PCI, or even join its ranks in open form.
17. However this alternative is not to be dismissed as unfeasible. For one thing, the DC has developed a well-tried method for destroying its coalition partners which might work with the PCI almost as well as it worked with the Socialists: it deprives them of the "protest option" by bringing them in, it feeds the party leaders selectively, but it does not hand over a fair share of the payoff system -- which of course is wrapped in the secrecy which illegality demands.

II. Some Lower-Probability Outcomes and Their Implications.

- (i) Erosion of the PCI's Authority and the Emergence of a Strong Radical Left.
- 19. Many PCI members of long standing, many trade union members and a few well-known leaders (e.g. Luigi Longo) are known to be exceedingly displeased with the policy of Berlinguer and the leadership.
- 20. But few PCI activists have deserted its ranks: the party is very disciplined, more so than any other.
- 21. At present, the radical Left is fairly active, and its acts of violence make the headlines. Nevertheless, the radical Left does not have the numbers or the Leadership to make a real impact on Italian politics, either directly or through the reaction that its violence may engender.
- 22. However, if the "more-of-the-same" or the Compromesso Storico cause extensive defections from the ranks of the PCI in favor of the radical Left, the latter could acquire sufficient strength to challenge law and order in some parts of the country. The outcome might well be large-scale civil violence followed by a restoration of order at the hands of a DC "monocolore" government, or -- just as likely -- a DC-PCI coalition. (A lower-probability outcome would be a rightist reaction to violence caused by the radical left.)
- 23. In the above two assumptions are implicit: first, that large-scale civil violence is indeed a possibility in Italy; and second, that Leftist violence can only result in a strengthening of the center or the right, and not in a Leftist victory. The second assumption is generally accepted; the first is not.
- 24. Perceptions of Italians as essentially non-violent persist, in resistance to the evidence. In the case of modern Italy two phenomena should give pause to those who continue to reject the possibility of civil violence on a large scale:

- (a) the continuing innovation in the forms of violence which by now features a whole complex repertory, ranging from hit-and-run bodily attacks on political figures, to the fire-bombing of newspapers, to political assassination, to sniper ambushes of policemen, and much else besides. Such innovation is characteristically a prelude to major forms of violence.
- (b) the spread of lethal violence to groups previously content with noisy but non-deadly forms of agitation, the notable case here being the Rome students. There is, in other words, a growing acceptance of lethal solutions, another classic symptom.

25. Impact of Radical-Left Violence on U.S. Strategic Interests.

The short term consequences include: the absorption of Italian forces in civil order missions, thus incapacitating them for NATO tasks; and the demoralization of these forces if the exposure to civil-order missions is prolonged, i.e. if the efforts of the authorities to restore order are not visibly successful in short order. Security problems at installations used by the United States may be expected to intensify (though the compact nature and particular location of Aviano, Gaeta, Sigonella and the rest would facilitate effective and low-cost security measures).

26. In a broader sense, large-scale civil violence in Italy would lead to a further deterioration in the climate of political life in the NATO countries, heightening their established perception of weakness and disarray. The long-term consequences depend on the reactions engendered, including (ii) and (iii), below.

(ii) Emergence of a Radical Right.

27. The leadership of the two neo-fascist parties formed out of the split in the MSI (and even more what is left of the Monarchist leadership) is old, tired, and

thoroughly discredited. There is undoubtedly a reservoir of support for rightist solutions to Italian problems -- now distributed in the DC and even the PCI (which appeals to those who seek authority and discipline as well as to those who seek change). But the Right anywhere cannot be successful without a charismatic leader; no such leader is in sight. But the example of Poujade shows that a leader with the effective qualities needed can emerge at any time, given the right circumstances. Large-scale civil violence initiated by the Left could conceivably create such circumstances.

(iii) A Military Coup.

28. Italy has to a large extent been inoculated against a coup by the previous failure of obscure plots. But the PCI appears honestly to estimate that a Chile-style coup may well happen in Italy also, and that is the argument now being deployed by the PCI leaders to dissuade their followers from radical action.
29. To some extent their position reflects the failure of many in Italy to understand the true extent of the CIA's capabilities in present circumstances: they continue to see the CIA as a powerful and semi-independent agent, fully capable of overthrowing an Italian government in cooperation with rightist elements in the armed forces.
30. It is generally agreed that the great mass of the Italian armed forces is as politically conscious and as politically divided as the public at large, since the majority of its men consists of short-term conscripts. However, the only units which may be politically cohesive are also those which are considered to be the most combat-ready, the Carabinieri mobile force, the Parachute Brigade, the Alpini and some of the sub-units of the standing armored divisions.

31. These small forces, however, could scarcely hope to stabilize a post-coup situation even if fully capable of executing a coup itself. Hence in the present political climate a coup is much more likely to trigger a civil war than to provide its own form of stability.

Impact of a Coup on U.S. Strategic Interests

32. A successful coup in Italy (a lower-probability subset than a coup leading to civil war) would generate Greek-style problems within NATO, and in U.S. domestic politics, but in a far more acute form. Widespread resistance to cooperation with Italy in the NATO framework is to be expected in Western Europe; there may even be some new pressure for a withdrawal from NATO on the part of Norwegian, Danish and Dutch left-wing elements. Domestic constraints on U.S. action within the NATO framework which is deemed to be supportive of an Italian Junta are also to be expected.
33. On the other hand, Italo-American sentiment may favor U.S. support for a Junta government, if it appears as reasonably effective and sufficiently moderate. (There is no hard data on the attitude of the Italo-American community as a whole; perhaps Americans of Italian origin no longer have the attributes of a community at all; a large though indeterminate proportion are certainly fully assimilated and have no Italian sentiments as such.)

APPENDIX

A Note on the Differentiation of the Strategic Roles of Italy

(i) NATO Roles

1. From the NATO-wide point of view, Italy is more flank than front in military terms. In political terms also, Italy has long been more margin than core, being the more likely recipient of support from the stronger NATO partners (Britain and the U.S. in 1945-1955, West Germany and the U.S. since the mid-1960s) than a provider of support to others. For example, Italy has not served as a patron to the other two Mediterranean members of NATO in their travails, even though its economic capacity is very much greater than that of Greece and Turkey combined.
2. Owing to the geographic position of Italy and to the quality of its armed forces, the short-term contribution of Italian forces in a NATO war on the Northern, Central or South-Eastern front would be limited to the deployment of small (high-quality) Italian sub-units in the framework of ACE-type quick-reaction multinational forces. It should be noted, however, that in the case of Northern Norway and to a lesser extent, even (Greek and Turkish) Thrace, the deployment of say, the five brigades of Alpini would amount to a contribution by no means insignificant.
3. The major bulk of the Italian land forces could only be committed in war in the event of a direct attack upon Italy by way of Yugoslavia and/or Austria. Somewhat more immediate is the eventuality of a Warsaw Pact offensive against Austria or Yugoslavia (or both) in the event of a wider conflict. In that eventuality, the intervention of Italian forces in support of either country could not be taken for granted.

4. Major Italian land forces could only conceivably be deployed in the Central Front in the event of a war there which does not spread, and in the event that such an area-limited war (itself less likely than a wider conflict) is prolonged i.e. that it remains non-nuclear.
5. The mere listing of these eventualities suffices to illustrate the marginality of the military role of Italy within NATO as far as tactical-air and ground capabilities are concerned.
6. On the other hand, the direct-force contribution of Italy to naval warfare in a NATO framework would be much more immediate and important. While many observers believe that the nominal capabilities of the Italian Navy are degraded by the shortage of critical high-cost equipments and consumables (e.g. in the ASW sector) *the Italian fleet could deploy a surface force that compares very favorably with the average Soviet navy deployment in the Mediterranean (including one or two cruiser-class warships, up to six destroyers, perhaps eight smaller destroyers (frigates), and more than thirty minesweepers, in addition to a growing fleet of missile-armed patrol boats and perhaps six modern diesel-electric submarines.**
7. The Italian naval contribution in a NATO-wide maritime war would be of particular significance since in those circumstances the majority of U.S. naval assets would presumably be deployed in the Atlantic, with only secondary forces available in the Mediterranean.

(ii) U.S. Roles

8. In present political circumstances, the United States cannot count on the overt acquiescence of the Italian government in the use of facilities on Italian soil

*These are not inventory numbers but estimates of actual average availabilities.

in conjunction with specifically American military operations, notably operations supportive of Israel. (Already in 1967, the Italian government imposed an embargo on all arms sales to Israel, and further, it impounded third-country shipments of "non-lethal" war supplies in transit through Italian ports and airports.)

9. Further, it is also most unlikely that the Italian government would overtly acquiesce in the use of facilities on its soil in conjunction with operations anywhere in the Middle East even if these did not involve Israel (e.g. supportive interventions in Lebanon or Jordan), except, that is, in ~~the~~ totally unlikely eventuality that such operations would not offend either the radical or the conservative powers in the Arab world.
10. For Italy is unique in Western Europe in seeking to maintain good relations not merely with the Arabs in general, but also specifically with Libya and Algeria.
11. Since it is hard to conceive of any non-NATO American operations which would benefit from the use of facilities on Italian soil, and which would not involve the Middle East in one way or another, it must be presumed that the formal attitude of the Italian government in effect excludes all specifically-U.S. use of facilities on Italian soil.

PAPER II:

THE PCI AND THE EASTERN MEDITERRANEAN

Shlomo Aronson
Hebrew University in Jerusalem
now at
The Brookings Institution, Washington, D.C.

Session of March 21, 1977

Introductory Remarks:

The aim of this paper is three-fold: (a) to analyze the past role of Italy as a strategic area in the Mediterranean, mainly with regard to the Eastern Mediterranean; (b) to analyze Soviet strategy in the Eastern Mediterranean (in the past); and (c) to speculate on a possible role of a communist Italy in peace and war times, with regard to the Eastern Mediterranean.

Italy's Past Role in the Eastern Mediterranean:

An analysis of Italy's role in the Mediterranean during World War II reveals the following strategic-political and military lessons:

- Italy was not only a strategic approach to the Western Mediterranean, but to North Africa, Egypt and the Middle East as well.
- Italian naval forces, or foreign powers based in Italy, could endanger, and sometimes paralyze, British military shipping in the whole Mediterranean.
- Italian based warplanes could help seal the Western approaches to the Mediterranean.
- Italian land forces, even if ill-equipped and badly led (which holds also to the Italian surface navy and air force) could be trained by a foreign power and integrated with a varying degree of success into that power's battle order. Under circumstances, Italian cooperation with such a foreign power collapsed.

The circumstances of Italy's entry into World War II and its relationship with Nazi Germany should now be considered more closely:

- Italy entered the war, unprepared - according to Mussolini's own understanding - after having made a wrong judgment as to the future course of the war after the fall of France.
- Italy's strategic menace and armed power were not adequately mobilized, nor used properly at sea and ground operations. No overall German-Italian operation system was established in 1940, and Mussolini retained first his relative freedom of action - and his lack of preparedness, poor strategic judgment and an ill-equipped army in North Africa. Later, Germany - a close neighbor with a common border - started sending reinforcements, and eventually took over operational responsibility for the African campaign. In the naval theater, Italian commando units managed to disable the British battlefleet at Alexandria. Italian bombers sporadically - and ineffectively - bombed targets in the Eastern Mediterranean but both services never succeeded in severing British oil supplies in the Persian Gulf and the Arabian Peninsula, nor to close the Suez Canal. Yet in 1941-42, most of the oil traffic and other strategic shipments, excluding troop movements by sea, were diverted from the Canal to the Southern Atlantic route because of Italian-German presence on both flanks (Italy and Greece) of the Mediterranean.

By mid-1943, it proved clear that neither Italy itself, nor Germany, exploited fully their potential - because of different reasons - in the Mediterranean. When Germany decided upon a larger effort in North Africa, its overall strategic capability was already too strained to make an effective use of Italy outside the Italian peninsula itself. Bases, which both Axis powers had at their disposal around the whole Western

Mediterranean, including Greece, Crete and Rhodes could not replace adequate air and naval power - even if the allies operated from bases outside the Mediterranean and one main base in it - Alexandria. The combined British-American main effort for 1943 - North Africa and later Sicily and Italy itself - proved to be far superior, in terms of naval and air power, from the waning Italian and the increased German effort - mainly in land forces.

One can, therefore, conclude that under circumstances, an effective German-Italian strategy for the Mediterranean, i.e. a concentrated effort to capture Malta as early as 1940, to use French North African bases properly and to gain complete air superiority for a German-Italian "African Army" through a permanent link between Italian mainland bases and Libya - later Egypt, could have brought about a complete German-Italian take-over in the Eastern Mediterranean. Under circumstances, Arab oil fields (perhaps even Iranian fields) could have been taken, as no British sea and air power could have endangered the Italian-Sicilian-Libyan connection, which was short and easy to protect, once Malta had fallen. British troops could, of course, threaten German-Italian movements through rear actions in the Eastern Mediterranean. (Palestine, Syria or Lebanon), or resist them in Iraq or Iran using the Cape route and Indian bases. Yet a flexible air plus armor swift moving strategy might have driven the British at the time off balance, rendering their counter moves too late and ineffective.

Summing up, the real power, Germany, which was not interested in the Mediterranean as a whole and was drawn into a Mediterranean war because of Italy, lost it because of Italy, i.e. because Hitler did not regard it as a major German war aim at the time, when a changed order of priorities could have brought about - via

Italy - a German victory in North Africa and the occupation of the whole Middle East. It remains to be asked whether the Germans could retain these areas later, when the U.S. joined the war, and the overall naval and air power balance changed. A Germany that refrained from attacking Russia and concentrated upon the Mediterranean instead would at least have a chance. A German-Soviet deal with regard to Iran, and Soviet "understanding" toward German presence in Iraq could have secured land flanks there. Saudi oil could have been threatened and/or destroyed by relatively small German forces - once Egypt, Palestine (including Trans-Jordan) were occupied. Italy could have served as a launching pad for such a German strategy.

The Soviet Union and the Eastern Mediterranean Until 1945:

Czarist Russia developed a growing interest in the Mediterranean since Catherine the Great. During World War I Constantinople, rather than the Balkans and Central Europe, was the main Russian territorial target. Strategically, Russia was occupied with the "Eastern Question" much before World War I, and came to regard its only access to warm waters through the Turkish-controlled straits, some kind of a presence in the Mediterranean as a whole and an influence around Russian territories in the Near East and Central Asia as a top national priority. In fact, the Mediterranean, especially its eastern part, was regarded by St. Petersburg as Russia's strategic backyard, and sometimes as one of its main doors. The Crimean War, of course, helped the Russians to develop a growing interest in protecting their flanks - vulnerable to a naval menace as they proved to be - while Pan-Slavism supplied a powerful national-religious motive to capture Constantinople and materialize fully the Russian claim to be the new Byzantium. World War I proved again Russian vulnerability to Turkish attacks and mainly to an effective Turkish blockade over Russia's main supply lines.

British naval supremacy did not suffice to open the straits - even if the reasons could be traced in a poor naval leadership, bad planning and an extremely bad luck; the blockade might have played a decisive role in the collapse of the Czarist regime in 1917. The combined effect of the land war in Central Europe, and the Caucasus on one hand, and the naval blockade on the other, brought about the most disastrous national defeat in Russian history. These lessons must not have been forgotten since; the Bolsheviks, including Lenin, understood them fully: Lenin quickly restored Russian rule in former Russian provinces turned independent following World War I, German-Turkish occupation and foreign intervention against his own promises. Stalin, the Georgian, was even more aware of the strategic menace from the South, even if the main enemy was regarded to be the whole Capitalistic world, and later Facism and Nazism. Stalin's answer to this was at the beginning a concentrated domestic effort. In the mid-thirties, a Mediterranean country - Spain - became a theater of indirect war between Mussolini's Italy (and Nazi Germany) and Soviet Russia. The reasons for Stalin's intervention in Spain could not be discussed here at length, but it seems that he was interested in helping both the Axis powers and the West into a prolonged war of attrition outside the main areas of danger to the Soviet Union, occupying them there as long as possible while strengthening Soviet Russia itself. Franco's ultimate victory, and the combined German-Italian threat on his southern flank might have played a role in Stalin's decision to make a deal with the Axis powers in 1939, rather than with the West.

During World War II the question of Turkish neutrality seemed to have been crucial to the Soviets until 1943, even if alternative supply routes were opened to Russia, via Persia (equally ruled by the Soviet Union and Britain until 1945) and the Arctic Ocean.

British predominance in the Mediterranean was taken for granted, officially, by the Soviets during the "Grand Alliance" period, and the North African, Sicilian and Italian campaigns were welcomed by Stalin with mixed feelings: he kept demanding a "second front" in Northwestern Europe - but at the same time wanted to divert the allies from Central and Southern Europe. Later, the Soviet Union occupied Bulgaria and Romania, and remained there, according to her interpretation of the Yalta agreements on spheres of influence in Europe, but accordingly refrained from extending a real help to the Greek Communists in 1944-45. Strict Turkish neutrality during World War II and no real Italian-German menace to the Soviet Union from the Mediterranean - in comparison to World War I - helped the Soviets to be preoccupied even more in Central and Southern Europe. Yet, basically the Soviet Union regarded the whole Mediterranean as an extremely important strategic area, which may be used against her in the future, and which is a key to her own operations in peace and war times because of developments since 1945: nuclear weapons, the cold war, Middle East oil, the emergence of the Third World and Soviet-Chinese relations.

The Soviet Union and the Eastern Mediterranean
Since 1945, and the Future of Italy:

It seems to me that since 1945, the Soviet Union is interested in getting footholds in "gray areas" in the world in general, and in the Eastern Mediterranean and North Africa in particular, in order to protect itself, advance its ideology and enhance its world power interest. "Gray areas" are countries that do not "belong" to anybody - former colonies, independent states and international waters. Countries that "belong" to the West, like Greece and Italy, France and Portugal, even if

they have large Communist parties or well-organized Communist minorities, cannot expect much Soviet aid to topple their Western-oriented regimes. Italy or Greece, Portugal and Turkey are not directly endangered by the Soviet Union, but some kind of an "indirect approach" to the Mediterranean, mainly to the Eastern Mediterranean, was experimented by the Soviets after 1948. The fading British presence in the Western Mediterranean, which was replaced by a powerful American fleet, a chain of treaties and American bases in Italy, Greece, Turkey and Spain, were countered by a growing Soviet-Arab cooperation; since Cuba, a Soviet naval program was launched and later Soviet naval presence in the Mediterranean as a whole, including Egypt, Syria, Algeria and Lybia (Aden and Somalia) became a target for Soviet strategy. This presence threatens Turkey, Greece and Italy in times of war, can be used to cut off oil supplies from the Middle East to Europe and help sever communication lines between the Persian Gulf and the South Atlantic and the Indian Ocean. It helps protect the Southern approaches to Russia itself, and its shortest water line to the Soviet Far East. It makes further Soviet involvements in black Africa, the Indian peninsula and even South America, easier, and it helps retain Soviet supremacy in Central and South East Asia. Yet "naval presence" is not enough - it is not decisive, and can be destroyed by U.S. naval and air power based in Italy and Greece, Turkey and Spain. It lacks land bases and direct support by Soviet-controlled countries. The Eastern Mediterranean itself is of extreme importance to the Soviet Union - which helps explain Soviet behavior in dragging the area to the Six-Day War, the Yom Kippur War and its constant support of the Arabs in the Arab-Israeli conflict. Yet Soviet "presence" in the Eastern Mediterranean is not permanent, it depends on political changes in the region and is exercised by

Moscow with great care. Western Mediterranean countries, like Italy and Greece, and Eastern Mediterranean nations like Turkey that "belong" are not targets for an active Soviet "foothold strategy" as Egypt used to be and still is, Syria, Somalia and even Libya. The Soviet Union does not have common borders with Italy, as Germany does, and could not extend direct aid to a Communist coup there, without taking a major risk - either through invading Austria, or through a change in Yugoslavia, which is still separated from Soviet-controlled territories. Italy, which under direct Soviet influence could serve the Russians as an ideal launching pad in a possible conventional war against North Africa and the Eastern Mediterranean, or as a permanent base of the utmost importance to threaten Northwest Europe from the South, cut off from its oil sources and endanger American naval and air presence in the entire area, is indeed a strategic key to the Eastern Mediterranean, and a political-psychological fortune of the greatest significance for the Soviets, who are confined to a fragile naval presence in the Eastern Mediterranean since 1976, when they were evicted from their port facilities in Alexandria, keeping some naval presence in other tricky Arab countries. It could open the entire Mediterranean to Soviet air power, threaten the western approaches and - under circumstances - the Suez Canal, outflank Greece, endanger Turkey from behind and place the Russians between Israel and Europe and the U.S. Yet, as no direct Soviet intervention in Italy is possible, according to the Kremlin's own rules of the game, the PCI itself might have been driven, among many other reasons, to assume its curious kind of Euro-communism - i.e., to develop a sort of a Communist compromise with strategic realities, among other domestic and foreign political realities.

The PCI assumed a clear-cut position with regard to the European Common Market

for example, that is incompatible with the official Soviet doctrine toward the European Community. Furthermore, even Italy's NATO connection is not rejected off hand - publicly - by PCI leaders. Assuming that Eurocommunists are Communists, one may predict a PCI effort to undermine NATO presence in Italy indirectly, in a case of a PCI take-over; a PCI influenced army, navy and air force may gradually become of no value to NATO, without a direct abolition of the NATO treaty. NATO's secrets, planning operations and supply facilities in Italy will have to be protected, changed or abandoned. Soviet presence may increasingly turn Italy into a less and less safe area for NATO and the U.S. Sixth Fleet even if a PCI government will not renounce NATO obligations; NATO itself will be pushed to remove Italy from the organization's command staff and operational system. Violent NATO reactions to a PCI dominated government and even a PCI shared coalition may lead to a growing gap between Italy and its Western allies. A "Cuban" treatment of Italy by the U.S. and West Germany may slowly bring about a complete Soviet take-over in Italy, even if it will remain, formally, a NATO member. As a result of such a process, Soviet naval and air presence that are not decisive now in the Mediterranean as a whole, including its Eastern part, may become decisive. A "D-Day shoot out" scenario, wherein the Soviets launch a coordinated pre-emptive strike from aircraft, surface ships and submarines, is regarded even now as possible in the Eastern Mediterranean. Add Italy to it, and instead of using Crimea-based aircraft and Nikolaev-based surface ships and submarines that may deliver their strikes but then remain stuck in a closed Mediterranean due to a Turkish command of the straits - relatively short-range aircraft and ships will be able to operate from Italy - with some auxiliary facilities - all over the Western Mediterranean and cut off American and NATO

forces - destroy them or block the traffic to the Eastern Mediterranean, secure landing areas for assembled Soviet troops rushed in advance or via Austria in North Africa - even without using strategic or tactical nuclear weapons. As a result, NATO will have to rely on nuclear weapons from the start, and its political freedom of action in peace times will be grossly limited. Add to it Italian Communist troops, naval and air power in war times, and a PCI-inspired Communist activity in North and Black Africa and the Middle East, and the danger of a "Cuban-like" Italy becomes clear.

Soviet influence in the Eastern Mediterranean - now less threatening - may become again a major element in Eastern Mediterranean politics, as a result of the above scenario. Russia's inability to intervene effectively in past Middle East wars - even if the Soviets threatened intervention since 1956 and seemingly moved in this direction in 1973 - may be replaced with a credible presence. Thus, Soviet-oriented forces in the Arab world and Communism in general, may sound more attractive to radical elements in it.

As a result of these dangers, counter moves by domestic Italian elements, by Western Germany, France and the U.S. could be anticipated right after a PCI take-over, and a dangerous period of instability in Italy itself may follow.

Another, more realistic, scenario is a PCI coalition partnership in Italy that will go out of its way to demonstrate its interest in a foreign policy status quo. Instead of triggering extreme reactions to the above mentioned complete take-over, the PCI may instead try and become a relatively loyal partner in a Christian Democratic majority cabinet, and refrain from dealing with foreign and defense affairs altogether. Lacking an absolute majority in the polls anyway, the PCI will try to get hold of

economic and social cabinet posts, and even suggest that their ministers will not have access to NATO secrets. One can assume that this would be a more subtle strategy toward the complete take-over scenario. Others may accept Eurocommunism, under such conditions, as a unique experience with less Soviet-oriented Communists, who may sacrifice Russia's national strategic interests in exchange for a share in power in a democracy, based on permanent compromises. Yet, even such an experiment is bound to influence a strategic-political and psychological balance in the Western Mediterranean, which is now more convenient to NATO and its Western-oriented or Western-influenced partners in the Eastern Mediterranean.

PAPER III:

ITALY AND YUGOSLAV SECURITY

A. Ross Johnson
The Rand Corporation

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This paper, one of a series on the implications of a greater role for the PCI in Italian politics, discusses the possible ramifications of that development for Yugoslavia. The Italian-Yugoslav security nexus in present circumstances will first be addressed. The paper will then consider how that nexus would be changed by PCI participation in the Italian Government.

The Importance of Yugoslavia for Italy

If the United States has an "almost vital" interest in an independent Yugoslavia,¹ Italy has a "vital" interest in a non-Soviet-dominated Yugoslavia. Soviet control of Yugoslavia would constitute the first significant shift in the postwar European power balance. Assuming this domination were achieved by military force, it would serve to increase significantly Western European doubts about the reliability of the U.S. security guarantee. Soviet invasion of Yugoslavia would be an extremely destabilizing development with the potential of "spilling over" into other areas. These considerations apply across the board to Western Europe; they would particularly affect the Southern Flank of NATO, especially Italy. The adverse consequences for the military balance would apply specifically to the Southern Flank. Were the U.S.S.R. to control Yugoslavia, the border of the Soviet bloc would be moved forward to Trieste. Soviet air, naval, and even ground force capabilities vis-a-vis Southern Flank countries, especially Italy, would be enhanced. The Adriatic would become a Soviet lake. The consequence for Italy, would presumably be (at best) to introduce a profound sense of insecurity.

Italy has, in the postwar period, fully recognized the importance of a Yugoslavia free of Soviet domination. Historically, Yugoslavia has been a key to

¹ Helmut Sonnenfeldt, Remarks to American Ambassadors in London, The New York Times, April 6, 1976.

Italian defense, and this consideration was operative in the postwar period, when protection of Italy via the Ljubljana gap became a key rationale of Western military assistance to Yugoslavia in the 1950s.² This interest conditioned a generally positive outlook by Italy toward Yugoslavia in the postwar period, following the break with Stalin and once the border dispute over Trieste was essentially settled in 1954. An open frontier was established, trade flourished, and generally good interstate relations were established. While renewed controversy over Trieste in 1974 (essentially the consequence of an intra-Italian political dispute) temporarily chilled bilateral relations, that controversy did force both sides to address again the remaining issues in dispute between them. The upshot was the Osimo Treaty of 1976, which further formalized the 1954 agreement and provides a stable basis for good bilateral relations.

Outlook of the PCI

If it assumes governmental responsibilities in the future, the PCI would find it difficult to ignore or negate the Italian "national interest" in an independent Yugoslavia. Present doctrinal/ideological and political affinities between the PCI and the League of Communists of Yugoslavia (LCY) would, if anything, serve to reinforce PCI acceptance of that viewpoint. The PCI-LCY relationship has become close. The deep hostility that existed between the two Parties in the Stalinist era was transformed after the late 1950s into good relations. PCI leader Togliatti's visit to Yugoslavia in 1964 was a turning point. His experiences in Yugoslavia influenced his own thinking about the U.S.S.R. and are reflected in his "Yalta Memorandum." Political alliance between the two Parties developed after the mid-1960s

² A. Ross Johnson, The U.S. Stake in Yugoslavia, 1948-1968, California Arms Control and Foreign Policy Seminar, June 1972, pp. 2-7.

as the PCI and LCY espoused the principle of the independence of national Parties within the Communist movement and opposed excommunication of the Communist Party of China. Alliance was consolidated in the early 1970s, particularly in the context of preparations for the European Communist Party conference -- finally held in East Berlin in mid-1976 -- as the PCI and the LCY became the doctrinal and organizational nucleus of the Communist forces opposing the Soviet approach. Doctrinal agreement exists between the Italian and Yugoslav Parties on such issues as the obsolescence of "proletarian internationalism," the inadmissibility of any "leading center" within the Communist movement, and the desirability of overcoming the existing superpower bloc standoff in Europe.

For the PCI, Yugoslavia was one important point of departure from its own Stalinist past; today, Yugoslavia serves the PCI as a political and geostrategic buffer vis-a-vis the U.S.S.R., as PCI pronouncements and domestic political actions have indicated. Yugoslavia's nonaligned status was praised by PCI leaders well before the PCI shifted its line on Italian participation in NATO. Berlinguer strongly reendorsed Yugoslavia's nonaligned position at the past PCI Congress. The PCI sided with Yugoslavia in the 1974 intra-Italian political controversy over Trieste. It has suggested in Italian political discussions that troop deployments in the frontier areas should be such as to be perceived as non-threatening by Yugoslavia. Local Party organizations with governmental responsibilities in regions bordering Yugoslavia have established direct contacts with their counterparts across the frontier.³ In brief, an inter-Party alliance exists today which would serve as the basis for future Italian-Yugoslav cooperation on the state level if the PCI enters the Italian Government.

³ I am indebted to Ciro Zoppo for some of these points.

The Perspective from Belgrade

Yugoslavia has had a strong interest (in many respects a mirror image of the Italian interest) in good, stable relations with Italy in the post-1948 period, the World War II history and the border and minority issues notwithstanding. The constant, implicit or explicit Soviet threat to Yugoslavia has conditioned Yugoslav interest in good relations with all its neighbors to the West. Yugoslav recognition of the common security nexus with Italy manifested itself in an interest to see Italy included in the stillborn Balkan Pact of the mid-1950s -- an interest neutralized by the Trieste dispute until the active Soviet threat had passed. The 1974 friction related to the Trieste issue and the "Dark Images" U.S.-Italian naval maneuvers were exceptions to an otherwise good relationship over 20-plus years. Yugoslavia not only accepts Italian membership in NATO but regards it as an important part of the present European balance -- a phenomenon the Yugoslavs have a fairly realistic attitude toward, even while they lament the fact of its existence. Yugoslav spokesmen cite relations with Italy as an exemplary case of relations between nonaligned and NATO countries. There is substance to this claim; Italy has occupied an important place in the "return to Europe" that has characterized Yugoslav foreign policy since 1968 (following an almost exclusive preoccupation with the "Third World" earlier in the 1960s). Closer Yugoslav-Italian relations have included the military sphere; a wide range of contacts and visits up to the chief of general staff level has occurred.

Future PCI participation in the Government of Italy would not change these security considerations but would provide the Yugoslavs with a more sympathetic political force within that Government. For the PCI has come to signify for the Yugoslavs the major political and ideological ally within the Communist movement and on

the world scene more broadly. The political aspects of this alliance are obvious: the PCI in effect represented the absent Yugoslav Party in the discussions of the mid- and late 1960s within the international Communist movement on the issues of Soviet leadership and excommunication of the CCP; subsequently the PCI became the Yugoslavs' staunchest allies in the protracted preparations for the East Berlin Communist Conference of 1976 and helped the Yugoslavs carry the day in opposing the initial Soviet conception of that assembly.

Underlying this political alliance between the PCI and the LCY is a perhaps less well understood ideological/doctrinal commonality. This involves (from the Yugoslav side) the LCY's perception of international events and its basic legitimacy. Since the break with Stalin, Tito and the LCY have continuously searched, in changing circumstances, for acceptable allies on the world scene. Political allies of various persuasions were relatively easily found, but ideological allies (meaning Parties that the Yugoslavs could view as equally "progressive" and genuinely socialist) were practically nonexistent. The lack of such allies has been one constant in Tito's repeated attempts to reach an accommodation (on terms acceptable to him) with the Soviets.⁴ In these ideological terms, the PCI of the 1970s constitutes the LCY's first ally. Its professed "pluralist" road to socialism represents, for the LCY, a superceding of both Leninism (which they renounced for developed countries in the early 1950s) and Bernsteinism (with which they never reconciled themselves). For Yugoslav Communists, the PCI is the historic pioneer that will heal the split in the workers' movement engineered by Lenin in 1921 and thus help justify the validity of the Yugoslav projection of the future of world socialism.⁵ The LCY's alliance

⁴A. Ross Johnson, The Transformation of Communist Ideology: The Yugoslav Case, 1945-1953, Cambridge, Mass: MIT Press, 1972, Chapter 5.

⁵E.g., Z. Prikmajer-Tomanovic, " [On the 'Historical Meeting' of Communists and Socialists,] " Socijalizam, Belgrade, No. 2, 1976.

with the PCI thus has deep roots. It also has limits. To the effect the PCI interprets its "pluralist" socialism not as a "special road to socialism" for advanced societies but as a universal model, it challenges the LCY's one-Party-directed "self-management." Recent Yugoslav criticism of the PCI's outspoken stand in support of dissidents in Soviet bloc countries⁶ should be understood in this light (and does not mitigate the basic commonality of PCI and LCY interests vis-a-vis Moscow).

The LCY would have a large stake in the "success" of a PCI participating in the Italian Government and in continued good relations with the PCI under those conditions. It would expect the PCI to advocate Italian security-related policies respecting or furthering Yugoslav interests. While it would presumably welcome PCI-led efforts for greater national self-assertion by Italy within NATO, it would not expect, and probably would not support any PCI-led efforts to take Italy "out of NATO." In its dealings with the U.S.S.R. in both "international Communist" and international forums, it would count more than ever on alliance with the PCI.

More speculatively, a protracted period of participation by the PCI in the Italian Government -- a period long enough for Yugoslavs, as other observers, to draw some conclusions about the "success" or "failure" of the pluralist road to socialism -- would influence the internal development of the LCY itself. PCI "success" in these terms would probably strengthen the hand of forces arguing for greater intra-Party democracy and fostering a revival of the political line advocated by such leaders as Marko Nikežić (head of the Serbian Party organization) in the early 1970s. In this situation, Italy would become a source of evolutionary change within the LCY just as in the mid-1960s the Yugoslav experience was a significant

⁶E.g., Speech of LCY Executive Committee member D. Vidic, Tanjug, February 17, 1977.

source of political change within the PCI. As Milovan Djilas has argued, "Euro-communism" affects Yugoslavia in two ways: strengthening national independence and "weakening ideological rigidity."⁷

Alternatively (and again speculatively), the PCI's "pluralist" road to socialism might turn out to be demonstrably unsuccessful -- for whatever domestic or external reasons. In that situation, discussions of the "lessons of Italy" might replace the now-fashionable talk of the "lessons of Chile" in Communist circles. Then the LCY might join other parties in questioning the inevitability of the "peaceful road to socialism" and the necessity of a broad Communist-Socialist alliance in advanced Western countries. This would, in turn, have a correspondingly negative impact on the LCY, lending support to neoconservative forces and narrowing the gap between Yugoslav and Soviet doctrinal conceptions.

Crisis Considerations

The preceding discussion suggests that in any future crisis situations involving Italy or Yugoslavia the alliance between the PCI and the LCY would be viable and operative. External pressure on an Italy in which the PCI participates in government by the United States and its NATO allies intended to modify Italian policies would antagonize the Yugoslavs. Indeed, the adverse effect on Western countries' relations with Yugoslavia would be a non-negligible factor that should be considered in any future decision to apply such pressure.

Rightly or wrongly, it has become more fashionable to anticipate a Yugoslav crisis rather than an Italian crisis. I judge that a Yugoslav crisis (involving national disintegration or Soviet intervention or both) is not likely, but it is one of

⁷ Interview with Djilas, Hamburg television, February 28, 1977.

the more likely of the unlikely developments that might disrupt Europe in the coming decade.⁸ Soviet pressure on Yugoslavia short of military action -- increased subversion, economic pressure, etc. -- would find the Yugoslavs enjoying full political support from the PCI. PCI behavior in a "worst case" scenario is, of course, less certain. Assume massive Soviet military intervention (the only kind that should be anticipated), Yugoslav resistance that is successfully protracted, Yugoslav requests to the West for weapons, and a decision by the United States and key NATO allies to mount a resupply effort.⁹ The scenario further assumes Soviet air superiority over Yugoslavia, a tense standoff over the Adriatic, limited or no Soviet naval entry into the Adriatic, and early destruction of much of the major port facilities such as Rijeka. In this scenario, only a porous resupply line, a "Ho Chi Minh trail," could be successful -- primarily a sea line, supplemented by air and land. Such a resupply line could only come from Italy. Were the PCI to be a participant in the Italian Government under this postulated scenario, its independence of Moscow would be subjected to the perhaps ultimate test. A PCI occupying roughly its present political position in Italy might attempt to avoid explicit involvement in Italian participation in such a resupply effort. With government responsibilities, the PCI could not remain silent, and I should think that (assuming doctrinely and organizationally the PCI of today) it would come down squarely in defense of Yugoslav sovereignty. Governmental responsibilities might even force on the PCI a leadership role in arranging such assistance for Yugoslavia.

⁸ As argued in A. Ross Johnson, "Yugoslavia: In the Twilight of Tito," The Washington Papers, No. 16, Sage Publications, 1974.

⁹ All four assumptions are integral to Yugoslav military doctrine. See ibid., Chapter 4.

Conclusion

In summary, from the Yugoslav point of view, a greater role in the Italian Government for the PCI, as presently constituted and espousing the present pluralist line, would be desirable. The Yugoslav Communists regard as real and realistic the change in the PCI line on Italian membership in NATO, even if this is not spelled out explicitly. In ideological, political, and even security terms, then, Italian Communist participation in government would be a plus for the Yugoslavs. Our view of their interests may, of course, differ from their own. In this regard, the key issues are what policies an Italian Government with PCI participation would follow vis-a-vis NATO and whether the PCI would support the Yugoslavs against the Soviets in a crisis. On balance, future PCI participation in the Italian Government need not detract from Yugoslav security -- although this is obviously only one criterion, and not the most important, by which that prospect should be judged.

PAPER IV:

ITALY, THE PCI, AND NATO

Robert E. Osgood, Dean
School of Advanced International Studies
The Johns Hopkins University

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1. U.S. Interests in Italy

This paper deals with the consequences of the PCI's acquisition of cabinet ministries for Italy's position and policies in NATO and for American military and political interests. It also suggests some of the policy implications.

In order to assess the significance and policy implications of these consequences one must relate them to our national interests in Italy. In my view these interests can be listed in rough order of priority as follows: (a) Italy's security from Soviet control or dominance; (b) Italy's internal stability and economic health, with democratic institutions; (c) Italy's utility as a base of military power to deter and contain the Soviet Union and the Warsaw Pact; (d) Italy's participation in Western institutions for military, political and economic cooperation in order to preserve a European political balance -- especially against U.S. and/or German domination of these institutions; (e) Italy's pursuit of policies in the Third World and elsewhere outside the Atlantic Community that are favorable to American policies and interests.

Under existing circumstances one can plausibly argue that support of the second interest is the most immediate and pressing need, to which all the other interests should be subordinated in practice; and that, therefore, to the extent the PCI's joining the government would strengthen Italy's internal stability and economic health while preserving its democratic institutions, we should be more concerned about this favorable consequence of a PCI/DC coalition than about the possibly unfavorable consequences for America's other interests in Italy. But granting the validity of this probably oversimplified view of the economic consequences of a PCI/DC coalition, the United States would still have to worry about the effects of such a coalition on America's security and diplomatic interests and how to cope with these effects. That is the subject of this paper.

2. The Military Significance of Italy's Membership in NATO

In order to estimate the effects of PCI ministries upon Italy's position and policies in NATO one must first estimate the military significance of Italy's membership in the alliance from the United States' standpoint.

One way to estimate this significance is to consider the military consequences of the worst case: Italy's bases and facilities coming under the exclusive use of the Soviet Union or of an Italian government aligned with the Soviet Union. In this circumstance, with Italy no longer a member of the North Atlantic Treaty, the Soviet or Italian government would be in a position virtually to deny the use of key Mediterranean searoutes to American and allied naval forces. As a consequence the Soviet Union might be able to establish something like the naval hegemony in the Mediterranean that the United States once enjoyed. The political results are hard to foresee in detail, but in general such naval preponderance would be bound to provide the Soviet Union with unprecedented political and diplomatic influence. The diplomatic independence of Yugoslavia would be in question. Greece and Turkey would probably be neutralized. Would Spain and Portugal lean toward the East? Would Egypt be compelled to entrust its security to Soviet arms and influence? Not necessarily, but one could not count on a more favorable outcome.

The problem with this kind of scenario, however, is that for it to come about presupposes some drastic changes in the European equilibrium and East-West relations -- with a drastic impact on detente and NATO -- which would themselves exert powerful effects that might have a countervailing influence. So it is hard to imagine the consequences of this scenario without calculating the effect of the whole process of drastic change -- not just the end game. Nevertheless, the worst case is not

impossible -- if, for example, one posits the PCI's eventual achievement of political dominance -- and its impact upon American interests in the Mediterranean and Europe could hardly be less than very adverse, even if it were not disastrous.

Indeed, the United States would suffer more from the political consequences than from the direct military effects. For it is unrealistic to suppose that the Soviet Union could physically exercise its control of the searoutes against U.S. military or commercial vessels without precipitating a war. In such a war the military balance in the Mediterranean would be one element in a much larger confrontation. If that larger confrontation were nuclear, the strategic significance of Italy would probably be a minor consideration.

More plausibly and therefore of more immediate importance, one can speculate about the military significance of various restrictions that a PCI/DC government might impose on Italian and American forces in Italy on the assumption that Italy remains a member of the North Atlantic Treaty.

Such restrictions would not greatly affect the utility of Italian forces. Their principal function is to protect Italy directly. Their utility for this purpose is not significantly affected by Italy's participation in the North Atlantic Treaty Organization. Italy's allocations for national defense in relation to GNP have always been the lowest among NATO countries. Italy's armed forces would be of negligible use on the central front in a European war. Its air and naval units would be of some use in protecting NATO's Southern flank in Yugoslavia and Austria but of little use in protecting Greece or Turkey.

On the other hand, Italy's membership in NATO is of considerable military significance because it provides the United States with military bases and facilities.

Although the actual use of these bases and facilities depends on bilateral agreements, Italy's membership in NATO provides the political justification and assurance of their availability, except for use outside the context of Soviet containment (as during the 1973 Arab-Israeli war).

The importance of Italy as a base for U.S. forces is enhanced by France's decision to withdraw from the integrated military command and, more recently, by limitations that Greece and Turkey have placed on American use of their territory. The largest U.S. presence in any Mediterranean country, there are some 12,000 American military personnel on nine bases in Italy. American units include a major tactical air command, which is part of NATO's forward-based European defense forces; two highly mobile fighting units; several Army bases, which accommodate storage, logistics, communications, and command facilities; and U.S. troops, in cooperation with Italians, guarding tactical nuclear warheads for missiles and artillery. Most important of all, Italy's membership in NATO provides homeporting for the Sixth Fleet, together with storage bases and repair, maintenance, and training facilities, and bases vital to surveillance of Soviet shipping and ASW operations. If these bases and facilities were not available to the U.S. in Italy, substitutes would have to be sought in Spain -- particularly at Rota -- which might encounter similar political obstacles, depending, among other things, on the position of the Communist party at the time.

It follows that Italy's withdrawal from NATO and the concomitant denial of Italian territory to American forces, even though Italy remained a member of the Alliance, would be a serious blow to American security interests in Europe, though not nearly so serious as a comparable denial of German soil to U.S. forces. And

it would raise delicate political questions inside Spain and with America's European allies if the United States sought to substitute Spanish bases and facilities.

3. The Political Significance of Italy's Membership in NATO

The political consequences of Italy's withdrawal from the integrated military command would depend in part on the structure of NATO and the nature of the European Community at the time. If France were not only withdrawn from NATO but dominated by a Communist-leftist coalition hostile to an American presence in Europe, and if Greece and Turkey were only very limited participants in NATO, Italy's withdrawal under PCI influence would consolidate the character of NATO as largely a German-American military alliance and tend to reduce the incentives for other allies to maintain their contribution to the collectivity while dividing the European allies politically. However, if at the same time there were a vital European defense community within NATO, and if Italy as well as Germany were an active member, Italy's withdrawal from NATO might promote the transition of the North Atlantic Alliance to a truly dual (or "dumbbell") structure in which America's security interests could be reconciled with a reduced American presence and responsibility in Europe. This indicates that Italy's membership in NATO is of some political value in maintaining a balanced European participation but that Italy's withdrawal would not destroy the political basis of NATO and, in a certain context, might be quite compatible with the vitality of the Alliance.

4. The Significance of Formal PCI Participation in Government

It is impossible to predict the impact of the PCI's membership in the government on the position and policies of Italy in NATO. One can only speculate about

the effects of various conditions on this impact. This is because the PCI's influence on foreign policy would depend on an admixture of several kinds of factors: the PCI's ideological goals and tendencies; its views on Italy's national interests; the positions of the U.S., the European allies, and the Soviet Union toward a PCI/DC coalition goal; its actual power in relation to the DC; the need to maintain party cohesion.

Presumably, the impact of PCI government ministries would be a somewhat different impact from the PCI's in its present status, and the nature and scope of its influence as a dominant party with all major ministries would be different from its influence in either of these other positions. Yet in each of these positions, too, the same factors of substance and power would interact in unpredictable ways. This is particularly so because the PCI has demonstrated considerable policy flexibility in the pursuit of power and because it must respond to several political constituencies in order to gain power and preserve cohesion.

How would attaining a few of the ministries, excluding the defense and foreign ministries (which the PCI would surely wish to avoid initially), affect the influence of the PCI on Italy's position and policies in NATO as compared to the present position of the PCI, considering its strength in Parliament, its dominance in most large municipalities, and the fact that the government must gain the consent or abstention of the PCI on the most important domestic and international policies? On the one hand, entering into the government might complete the legitimization of the PCI and enable it to expand its base of political support and its power vis-a-vis the DC. This might or might not enable the PCI to pursue more effectively some of its longer-range goals, depending on the reaction of other governments and the imperatives of keeping power and coping with domestic politics. On the other

hand, entering into the government would place a greater burden of responsibility on the PCI under conditions in which the high expectations of the electorate might be disappointed by the intractability of economic and social problems.

The policy consequences of the PCI becoming dominant would depend on how it achieved dominance and how the process of achieving it affected the political strategy and perhaps even the political structure of the PCI. It would make a difference, for example, whether dominance were achieved on the basis of a strong nationalist appeal against actions of other governments that could be represented as domestic interference or punitive sanctions, whether it were achieved in the face of civil strife and a resurgent right wing, or whether it were achieved by a gradual process of accretion reflecting recognized domestic achievements and foreign acceptance or approval.

5. The PCI's Long-Range Goals and Strategy

In estimating the influence of PCI membership in the government on Italian foreign policy one must first take into account the PCI's long-range goals and strategy, even though the goals and strategy might have to be greatly modified and even substantially abandoned because of more immediate domestic and foreign considerations.

To begin with ultimate goals, the PCI still shares much of the communist vision of reality and sense of mission. It views political life as based on class conflict, which must result eventually in the defeat of capitalists and the triumph of the proletariat, represented by the Party. But the PCI must be tactically and strategically prudent in pursuing the power without which none of these goals can be achieved. Therefore, during the transition to socialism, the PCI, adjusting to the

environment in which it seeks power, renounces the "dictatorship of the proletariat," accepts democratic pluralism, free elections, and the Western liberties, even though it continues to govern itself according to "democratic centralism." Above all, it is anxious to avoid coming into full power and responsibility prematurely, lest it precipitate a disastrous right-wing reaction as in Chile. By far the safer and more successful strategy, it has decided, is to come into the government in cooperation with the Christian Democrats in accordance with the new version of the popular front, the compromesso storico.

As for its relationship to the Central Party of the Soviet Union, the PCI, to protect its independence and verify its nationalist claims in the eyes of the electorate, rejects the formulation of "proletarian internationalism," with its implication of automatic loyalty to the CPSU, but still signifies its special ties to the Soviet Union and all communist parties by substituting the formula of "international solidarity." This position enables the PCI to insist on its right to adjust to the Italian national setting according to its special needs and to oppose some excesses of bloc dominance (e.g., the invasion of Czechoslovakia) and even Soviet internal repression, without challenging the imperative of basic solidarity with the most powerful communist state.

In terms of avoiding domestic political costs the PCI can best afford to follow the Soviet line in foreign policy on Third World issues. On Atlantic and European issues, however, it must establish its credentials as a Western-oriented party and avoid any implication that it is the lackey of the Soviet Union. At the same time, it is bound to oppose American "hegemony."

Consistent with Italy's historic posture, the PCI seeks status for the nation as

part of a larger unit. It prefers the European Community but must come to terms with NATO. Therefore, it embraces the West European institutions, but regards them as much as a counterpoise to American power as to the Soviet Union, while it waits for the dissolution of both blocs.

According to this vision, when the West European economic and political grouping, transformed into a socialist community, achieves a reconciliation with the socialist East European countries, the present equilibrium between blocs will give way to a broader framework in which Italy can assume something like the neutralist or equidistanza stance that the PCI (and much of the Italian left) sought after World War II. Pending this transformation of Europe, however, the PCI has come to accept NATO and Italy's membership in it as part of the existing equilibrium on the basis of which detente can be consolidated as the next best thing to the dissolution of the blocs.

Without the PCI's acceptance of NATO and without detente there can be no compromesso storico. Nevertheless, the PCI also looks upon NATO as an instrument of U.S. dominance in Europe and of interference in Italy. It cannot unqualifiedly embrace an organization which makes Italy an American military base aimed against the Soviet Union. For that matter, it would find great difficulty in participating in a European Community that became a cohesive defense coalition aimed against the East, even though such a coalition might overcome American hegemony.

6. The Policy Influence of the PCI with Formal Responsibility

To describe the general goals and strategy of the PCI is to recognize that long-range aspirations are not likely to be the determining basis of day-to-day

policy and action, since even if the vision of a polycentric socialist Europe without blocs were realistic it would not determine the way to get from here to there. Among the external conditions that would shape the PCI's policies in a coalition government, two are particularly important: the level of tension in East-West relations and the way in which the United States and its European allies deal with Italy. Of course, the PCI's policies and their influence will also depend on the balance of power with the DC and the popularity of the PCI with the electorate.

The persistence of U.S.-U.S.S.R. detente at a fairly low level of tension is virtually a prerequisite of PCI internal power and external influence. For unless the PCI had thoroughly established its predominance after a long period of rule, it could not afford to remain indifferent to a widely perceived Soviet threat; and such a threat would probably be the one thing that would enable an otherwise unpopular DC to regain the popular appeal it has lost.

Assuming the persistence of detente, the PCI in a coalition government would surely be cautious to ~~abandon~~ its acceptance of NATO. For until it were solidly entrenched as a legitimate representative of Italy's national interests, it could not afford to confirm the suspicions and charges that its basic loyalty lies with Moscow. Nor could it appeal to the kind of Gaullism and anti-Americanism that the PCF finds natural, for that would not be consistent with its conception or with the popular conception of Italy's role in Europe.

On the other hand, the PCI might be happy to take Italy out of NATO if the onus could be placed on the United States or its allies. But the onus would have to be unmistakable, resulting from some kind of blatant foreign interference expressed in official criticism, the refusal of economic aid, credits and loans, the encouragement

of capital flight, the attachment of unreasonable political conditions to economic assistance, or heavy-handed covert action.

In any case, as long as apprehensions of Soviet power and intentions are low, the PCI can be expected to work toward restricting the status of U.S. forces in Italy and American access to bases and facilities. It can hardly wish to do less in this direction than the Turks, but it would also have to find a convincing pretext.

Assuming that Italy remained in NATO, what would be the effect of a PCI/DC coalition on NATO policies? Probably not much effect and not a greatly different effect from that of the existing government so far as military revisions, nuclear policy, defense levels, and other such issues are concerned, unless one posits the improbable condition that PCI members would dominate the Italian representation in these matters. Probably the PCI in coalition would concentrate on arms control and denuclearization schemes rather than defense questions. On these matters it would try to move NATO toward concessions to Soviet positions.

Could a coalition government be counted on to support Italian participation in a NATO response to some military threat by the Soviet Union or a Soviet ally? A call upon Italy to cooperate would put the PCI in an awkward position. It would have to find compelling extenuating circumstances in order to refuse cooperation without jeopardizing its base of political support. Against the threat of Soviet intervention in Yugoslavia, for example, it could hardly deny the United States use of NATO facilities to provide aid short of direct military involvement. Having criticized the Soviet Union for intervening in Czechoslovakia, it would surely condemn the Soviets for a comparably clear violation of Yugoslavian sovereignty. Yet in the event that Yugoslavia actually came under Soviet influence as a member of

the Warsaw Pact, and if after a time detente resumed, the PCI might revert to its basic preference for equidistanza. Again, it would have to weigh this preference against DC pressure, popular Italian sentiment, and the positions of the United States and West European countries.

The PCI in coalition will find no difficulty in pursuing a close relationship to the European Community, which, however, it will try to transform into a leftist community free of conservative influences by such measures as "democratizing" the European Parliament through elections by universal suffrage. At the same time, it will be as sensitive as any Italian party to the areas of conflicting economic interest with the EEC, and it may be more interested than others in expanding commercial and other economic ties with East Europe and North Africa.

Its position toward a European defense community will be ambiguous. It will not want Italy to be left out, and it will view such a community as a means of countering U.S. hegemony. But to be politically acceptable such a defense community must serve a solidly left-socialist European coalition and not accentuate East-West divisions or seem to be aimed at the Soviet Union. The PCI must resist creating another military bloc that the Soviets will perceive as an instrument of Western containment dominated by a capitalist (or perhaps even an ideologically compatible) Federal Republic of Germany. But such a European defense community is not likely to emerge.

Clearly, if the PCI were politically dominant in the Italian government, it would pursue much more freely its long-range goal of dissolving the blocs into an East-West European socialist security system by removing the American presence and substituting a neutralist stance tempered by close ties with the European Community. Probably, the internal and external conditions that would permit the party to become

dominant would also permit it to achieve Italy's withdrawal from NATO, if not from the North Atlantic Treaty itself. A reversal of detente, however, would impede such a strategy. In any case, the evolution of the European Community is unlikely to coincide with the PCI's vision.

Might the PCI after some years of experience in governing Italy, either from a position of dominance or in coalition with the DC, become normalized in the sense that it would for all practical purposes abandon "international solidarity" and become just another leftist nationalist party? The transformation of the PCI in this sense is not impossible, but it is much too unlikely to be a consideration in other governments' policies. For the PCI's ideological goals and images of reality are not rhetorical or casual. They are not tactical expedencies. They are indispensable to the cohesion, discipline, and organizational integrity of a party seeking power.

7. The Immediate Issues

In formulating its policies toward Italy under a PCI/DC coalition the United States would have to take into account the long-range PCI strategy and the conditions that might support, destroy, or modify it. But there would be more immediate issues upon the formation of such a coalition government. The way the United States and the NATO allies approached these issues could have a lot to do with the kind of government they would have to deal with in the longer run. Two issues would be particularly important: NATO's internal security and foreign economic assistance.

Internal Security

PCI membership in the government -- even if this excludes the defense and foreign ministries -- will raise the question of PCI members in NATO committees

where they would have access to sensitive information. Objectively, in terms of the risk that vital military secrets would reach Moscow, it probably would not make much difference whether PCI members participated in such committees. One must assume that, outside SACEUR, there are already some espionage agents among the 250 Italians and other foreign representatives in NATO's international staffs. The United States already operates on the assumption that it cannot guarantee the security of some of its own classified information in NATO's staffs. There are PCI members on the defense committee of WEU. Moreover, Moscow has other ways of getting the essential information about Western defense plans.

Nevertheless, there is a widespread feeling among NATO officials and allied governments that they cannot simply view with indifference the prospect of communists freely participating in international staffs. To do so would be to signal all NATO governments and employees that NATO has no secrets worth protecting. The effect on U.S. participation might be particularly devastating to the efficacy and morale of NATO. Given this attitude, the practical question of how to restrict the participation of PCI members in NATO will arise. Because of the much greater number of Italians in NATO's staffs, solving this security question will be a much larger and more awkward job than in Portugal, where, at the time of communist participation in government, the government took itself out of the Nuclear Planning Group and found ways to exclude communists from sensitive meetings and files. The easiest solution would be for the DC to gain an agreement with the PCI that would enforce the necessary restrictions. If, however, the other members of NATO or the Secretary General were unilaterally to impose such restrictions either against communists or against all Italians, that would surely provide the PCI with a pretext for restricting U.S. forces in Italy or taking Italy out of NATO altogether. On balance, the

value of avoiding this kind of confrontation even at some expense in security of information would seem to outweigh the value of formally protecting NATO's internal security.

Of course, there would be no way of avoiding such a confrontation, short of complete inaction, if the PCI became dominant. If at that point the PCI still wished to keep Italy in NATO, NATO members would have to make a basic judgment as to whether the PCI had been sufficiently transformed into a Western-oriented national party for Italy to remain a loyal member of NATO or whether the time had come to expel the country (or possibly the government but not the country) from NATO because the purposes of the Organization and the party were incompatible.

Foreign Assistance

The issue of whether and, if so, on what conditions to extend economic assistance to Italy under coalition government will also pose a dilemma for the United States and its European allies. If aid is not extended, whether on political or economic grounds, the economic situation in Italy will deteriorate. Whether or not the PCI is able to capitalize politically on the economic situation and the "interference" in Italy by her allies, Western interests will surely suffer from Italy's economic collapse. If the United States were to resort to punitive economic sanctions and deliberately discourage investment and encourage the flight of capital (it is hard to imagine the European allies joining in these measures), it would surely enhance the opportunity of the PCI to exploit the resulting economic disruption. If punitive measures, economic collapse, and civil strife were to unseat the communists, the United States might find itself in the equally disadvantageous position of sponsoring and bolstering a right-wing regime which, although loyal to NATO, would be a political pariah in West Europe. Moreover, it is doubtful that an unreformed right-wing government could restore the Italian economy without the assistance of

the PCI. Consequently, the United States would bear the double onus of shoring up a deteriorating economy and a reactionary government.

On the other hand, if aid and credit are extended without some reliable assurances of economic and bureaucratic reform, it will fail to save the Italian economy; and the PCI will probably point to unconditional aid as a further evidence of its legitimacy. In any case, the PCI's key role in restoring the Italian economy suggests that the United States and its allies can hardly escape the ironic logic of helping the PCI establish its political power if they give aid without political conditions.

This dilemma may be soluble if the DC plays a constructive and politically advantageous role in restoring the economy, if the DC and the PCI agree to accept reasonable and effective economic conditions on foreign assistance, and if the United States and its European allies combine to give adequate foreign assistance without political conditions. But this solution implies some extraordinary statesmanship and a good deal of luck. In the United States, in particular, the prospect of helping a government dependent on a party suspected of hostility to American security interests and democratic principles implies a high degree of Congressional sophistication and restraint.

8. The Larger Western Framework

The preceding analysis indicates that in relations with an Italian government in which PCI members formally participate there is little the United States can do by way of exercising levers and imposing sanctions or political conditions that would prevent the possibly adverse effects of the PCI on U.S. interests in NATO, but there is much that such measures might do to provoke and aggravate the very effects

the United States wishes to avoid, while at the same time worsening the state of the Italian economy and enhancing the power of the PCI. Indeed, most of the basic determinants of Italian foreign policy are largely beyond the control of the United States and the European allies. Yet these countries could readily make a lot of trouble in Italy.

Whether the adverse security effects of PCI participation are avoided or mitigated will depend to some extent on how the United States and its allies manage the issues of internal security and foreign assistance. More fundamentally, it will depend on the nature of the framework of Western institutions through which Italy relates its national interests to the interests and policies of other states -- particularly the institutions of the North Atlantic Alliance and the European Community.

Whether Italy remains in or out of NATO, the changes are that, given the continuation of detente and the relative decline of American power, the Alliance will revert more toward its pre-Korean structure of a U.S. guarantee pact but with a variety of relationships between the United States and its allies, implemented by bilateral arrangements and a variety of relationships between the allies and the Organization. If the Alliance adapts to this more pluralistic structure and maintains the vitality of its core as insurance against Soviet aggression and assurance of a European equilibrium, the prospect of Italy remaining a constructive part of the Western bloc will be good. Otherwise, there will be a greater prospect of Italy pursuing a neutralist stance, with the PCI leaning toward East European or Soviet positions.

Similarly, if the West European Community continues to create and sustain a network of intergovernmental and transnational forms of economic, political, and military cooperation that successfully meet the diverse national interests in a

manner distinct from but not, on the whole, antithetical to American interests, Italy will probably find a rewarding role in this Community and the PCI will tend to pursue policies compatible with West European security. Otherwise, the PCI may tend to pursue increasingly narrow nationalist positions to the disadvantage of West European economic health and security, while fruitlessly seeking to supplant ties to the European Community with ties to East Europe and the Third World.

PAPER V:

THE ITALIAN COMMUNIST PARTY AND THE EUROPEAN COMMUNITY

Simon Serfaty
School of Advanced International Studies
The Johns Hopkins University

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Perspectives on the Italian Communist Party

Discussions of the Italian Communist Party (PCI), its role, and its policies often suffer from three oversimplifications. First among these is the image of a party fully coherent and united, and cleverly manipulating events in order to achieve longstanding communist goals. Instead, it is, in Donald Blackmer's words, a "party attempting to reconcile conflicting values . . . in the face of a series of events largely outside its control."* External events have often shaped the Party's domestic role (influence of Czechoslovakia, for instance), and its policies have accordingly been, more often than not, reactive and adaptive.

That the Party's "fictitious unanimity" is no longer as easily upheld as it was in the past is reflected in the changing role of flanking organizations -- the CGIL, for example, which is no longer the Party's transmission belt, as it was throughout the fifties; or the UDI (Union of Italian Women), which has of late developed a new autonomy (especially on such captive issues as divorce and abortion) and succeeded in shaping the Party's position away from its initial preferences for a compromise with the Christian Democratic party. These, together with the substantial changes in top party leadership since the late fifties, assure a relatively lively circulation of ideas within the party.**

A second oversimplification is to present the Party as the sole representative of one group only, the industrial working class, on whose behalf the Party is

* Donald Blackmer, Unity in Diversity: Italian Communism and the Communist World (Cambridge, Mass.: 1968), p. 5.

** This is not to say that the Party does not remain a Leninist party, committed to the principle of democratic centralism, with close control by, and subordination to, the top.

historically committed to instituting the "dictatorship of the proletariat." While numerically proper, this is first to overlook the continued ability of the Christian Democratic party itself to exist as an interclassist party (thus, the class profile of the CD voters is remarkably similar to that of the entire electorate). More significantly, however, such an oversimplification further overlooks the efforts made by the PCI to attract the support of the middle strata of the electorate (teachers, shopkeepers, artisans, etc.) and, with more difficulties, that of the marginal groups (from the retired to the deprived). It is precisely the proliferation of the Party's constituencies which is causing the Party's current dilemmas: with, but not of, the government, the PCI can no longer satisfy the requirements of its efficiency-minded constituency without antagonizing its ideology-minded followers, or vice versa. Such pressures may well lead the PCI into seeking new, anticipated elections in the near future (although the implications which the forthcoming French elections hold for the PCI electoral strategy are difficult to assess).

Finally, a third oversimplification is to dismiss the national identity of the Party by representing it as a mere agent of the Soviet Union, and ignoring its occasional outbursts of independence as previews -- *ballons d'essai* -- of forthcoming Soviet positions. In fact, the relationship between the PCI and Moscow has been, and remains, far more complex, as the post-1947 foreign policy positions of the Party have gone through several distinct phases depending on whether the Party was giving priority to national or international pressures.

Up to 1956, it is quite clear that the PCI behaved as a faithful follower of Moscow's lead, and its foreign policy was merely a negation of Italy's foreign policy. At the time more a conformist than a rebel, Togliatti joined other communist movements in their harsh and systematic criticism of every single international

action undertaken by successive CD governments: "the battle against the Marshall Plan, against the Atlantic Pact, against the self-styled American clerical Europeanism, against the Schuman Plan, against the EDC and WEU," in Togliatti's words, were, significantly enough, "an integral and essential part of the PCI's struggle to open and build an Italian road to socialist."^{*} During that period no effort was made to develop, however loosely, foreign policy alternatives. Alignment with the Soviet Union was very close, caused in part by the isolation of the PCI's leadership and by direct Soviet pressure, in part by its perceived need to provide its clientele with a mythical objective, and in part by the rigidity of a national and international setting in the midst of which the PCI, in spite of the generally "democratic" policy it followed at home in 1947-50, found little room for maneuver.^{**}

During the period 1956-1964, efforts were resumed to insure a certain autonomy of the Party without breaking the Soviet connection (in G. Amendola's words, "polycentrism does not weaken internationalism"^{***}) and without harming either the Party's unity or the followers' faith (as the PCF would put it, "Il ne faut pas désespérer Billancourt".) To be sure, such efforts were in part responsive to a succession of international events which made of the Party's identification with Moscow a growing liability: Khrushchev's exposure of Stalin's excesses, the Poznan riots, the invasion of Hungary, etc. Yet, the PCI's criticism of Moscow remained somewhat hesitant:

^{*} Quoted in F. Roy Willis, Italy Chooses Europe (New York, 1971), p. 291. See also S. Galante, La Politica del PCI e il Patto Atlantico (Padua, 1973).

^{**} Compare, for instance, the actions of the PCF and the PCI following their withdrawal from the French and Italian governments in May, 1947.

^{***} G. Amendola, quoted in A. Dallin, ed. Diversity in International Communism (New York: 1963), p. 432.

thus, Togliatti's well-known interview for *Nuovo Argomenti* was balanced by the PCI's tacit endorsement of Moscow's actions during the Poznan riots, and the Party's wavering during the Hungarian crisis.

This uncertain search for autonomy did not reduce in fact the Party's opposition to the nation's foreign policy. For the first time, however, it did entail a search for alternatives, including most conspicuously, a so-called "Mediterranean policy of active neutrality" which, divorced from that of other Western countries, would permit Italy to "participate autonomously and actively in the awakening" of a "great peaceful state" that would extend from the Arab world to central Europe.* Hence, for example, the Party's support for Enrico Mattei's initiatives in the late fifties.

By 1962-64, however, a third phase opened, in part imposed by the electoral gains of the previous years (a 2.6 percent gain from 1958 to 1963) and in part made possible by the "discovery" of the European option.** The former resulted in cautious efforts to define and implement an effective domestic strategy which included a progressive de-alignment from the Soviet Union (PCI's enthusiasm for a rapprochement

* Sergio Segre, "Italia Atlantica o Mediterranea," *Rinascita*, 1957, n. 12, p. 588. See also R. Mieli, "L'Italia nel Mediterraneo: Un Assenze inguistificata," *Ibid.*, 1957, n. 6, pp. 275-6.

** From 1948 on the PCI attacked every step the West European countries took toward economic and/or military integration as the continuation of Europe's Atlanticization by other means. See for instance P. Togliatti, "Federalismo Europeo?", *Rinascita*, June, 1948, for the PCI's response to the Hague Congress and for its call for another Europe that would mean "the union of the peoples in the struggle against imperialism and against its criminal plans for the division and destruction of humanity." See also Z. Nejdely, "Cos e questa Europa?", *Ibid.*, May 1950, pp. 250-2, for a critique of the Council of Europe; and P. Alatri, ed., *Rinascita, 1944-1962, Antologia* (Rome, 1962), pp. 502-3, for some comments on the ECSC and EDC.

with Yugoslavia; refusal to break with China; and sharp criticism of Moscow's actions in Czechoslovakia). The latter implied a more qualified criticism of the official foreign policy, and the elaboration of "real" foreign policy alternatives, first and foremost in and over Europe.

The PCI and Europe

The contribution made by the European Common Market to Italy's "economic miracle" is well known: during the Common Market's first decade Italy's gross national product rose from \$41.9 billion in 1958 to \$71.6 billion in 1968 (in constant 1968 dollars), while its per capita income rose from \$805 to \$1,358. Even more strikingly, Italy's trade with other EEC countries grew during that time by more than 500 percent.

Consequently, the Party publicly acknowledged its obvious "error" of the late fifties when it had forcefully opposed the Rome Treaty.* Said G. Amendola in 1962, "The coincidence of the entry into the EEC with the American recession created a particular situation that led us to attribute to the EEC economic difficulties that were instead a consequence of the phase of the international economic

* For the early reaction to the Rome Treaty see G. Berti, "La posizione dei Comunisti contro: trattata per il Mercato Comune e l'Euratom," supplement to *Rinascita*, July-August, 1957, pp. 417-24; G. Pajetta, "Perche il PCI e contro il Mercato Comune" (Rome, 1957); C. Negarville, "I tratta europeistici nel quadro dell' attuale politica dell' imperialismo," *Rinascita*, March 1957, pp. 79-82; P. Cinanni, "La situazione dell' agricoltura, la riforma agraria ed il MEC," *Ibid.*, September, 1957, pp. 79-82. Most of the PCI's criticism was a carbon copy of the Soviet criticism. See W. Feld, "French and Italian Communists in the Common Market," *Journal of Common Market Studies*, March 1968, pp. 250-266. The CGIL, however, dissented (see Blackmer, *op. cit.*, pp. 276 ff and R. Colin Beever, *European Unity and the Trade Union Movement* (Sythoff, Leyden, 1960). Notice also that the PSI abstained from the vote on the Rome Treaty.

cycle." And L. Longo to conclude a few weeks later -- "European integration has been a fundamental factor in Italy's economic leap forward."* The lesson the Italian communists drew from such events was that the transcendence of national barriers through economic integration was an "objective" and "progressive" process, and that it was therefore advisable to encourage the enlargement of the Community (to include Great Britain, for instance), while at the same time working to overcome its discriminatory features with respect to other socialist and third world countries. That economic integration might be a progressive process was linked to the further "discovery" that the European capital was not irreversibly subordinated to the American capital so that Europe could assist in the weakening of America's leadership and thus emerge as the much wanted alternative to the Atlantic community. All in all, in rallying to the support of the EEC, the PCI was following its most basic line of action -- "Do not stand in the way of the inevitable, but see to mold it to your purposes."** Or, in Luciano Barca's words, "We would like to change the EEC from within, and so we believe in staying in it."***

Clearly then, entering the EEC to modify it soon became the stated intention and policy of the Party. Thus, back from the Moscow 1962 Conference on Contemporary Capitalism, Togliatti called for a "more democratic development" of the EEC (together with an independent foreign policy divorced from the U.S.),****

* For Amendola's report see Istituto Gramsci, *Tendenze del Capitalismo Italiano* (Rome, 1962), p. 203; for Longo's report, see L'Unita, April 27, 1962.

** Blackmer, op. cit., p. 318.

*** Luciano Barca's interview in *Euromoney*, May, 1976, pp. 36-43.

**** Togliatti, "Un Europeismo Democratico," Rinascita, February 9, 1963, pp. 1-2.

thereby starting the PCI's fight for participation in the European parliament in which the deliberate exclusion of communist parties had been intended to preserve and further the development of a European consensus. Notice, however, that the newly found European vocation of the Party was, and has remained, but an extension of its anti-Atlanticism, and the PCI found much to its liking in the Gaullist attitude of the sixties. As it was confirmed in L'Unita on October 12, 1976, "We believe that it is necessary and useful to have a positive relationship with the United States, but on a basis of parity and reciprocal autonomy. The necessity of a particular relationship between the United States and the European Community ... need not deny a vigorous defense of European interests against the multinationals and the policy of power and interference set in motion by those who govern the United States ... We maintain that our struggle ought to be based on the refutation of a return to forms of national autarchy and on the programmatic promotion of a development of the production of exchanges both within and outside the European community."

It took six years for the PCI to find and exploit the first concrete opportunity to participate, with the support of the Italian Socialists, in an organ of the European communities. This opportunity came with the decision to renew the Italian delegation at the European parliament in 1969, a delegation which had been decimated over the years by resignation, death, and other forms of political incapacitation.* During that time, the PCI's European directions remained unchanged: "democratic" intervention of the working classes to change the monopolistic and

* The Italian Delegation fell from 36 to 13 during the decade 1959-69.

authoritarian character of the EEC and achieve the effective political unity of a demutilated Europe ("from the Atlantic to the Urals") against the "imperialist" control of West Germany and the United States. Such an action required the union of all socialist forces with other "progressive" forces in Europe, under the ascending leadership of the PCI, whose privileged position in Italy made it the natural guide of a via europea al socialismo.*

By the early seventies, therefore, foreign policy had become in Italy a means of permitting a certain kind of domestic majority through a legalization of the Party at home and abroad. The democratization of an enlarged Europe, freed of the American tutelage and, in an age of detente (indispensable to the Party's international legitimacy) relieved from the pressure of a Soviet military threat, would protect Italy from a Chile-like turn of events. On the basis of its continuous electoral gains, the PCI also established itself as the watchdog of democracy both in Europe (including the Soviet Union) and within the framework of the various communist parties around the world. The Italian communists were to be Europe's "gadflies." In a gaullist way, they would liberate Europe from its "original sin" (its East-West division)**; thereby giving greater substance to detente through a continent-wide compromesso storico. Once American and Soviet hegemony had been banished from the continent through the simultaneous abolition of the two military alliances, so the argument went, Europe would be free to extend its trade further

* G. Amendola, I Comunisti e l'Europa (Rome, 1971). See also A. Tato, ed., La Politica Internazionale dei Comunisti Italiani (Rome, 1976).

** As L'Unita put it recently (October 12, 1976), "a new relationship between the community and the individual states is essential. Only then can the actual bureaucratic centralism be overcome."

and play a larger, independent role in the world through its economic and cultural and moral resources.

To be "democratic" this new Europe must be built around Parliament rather than around the Commission. Though the PCI has long insisted upon direct election to the Strasbourg assembly (unlike the French communist party), they have likewise been the *jealous guardians of the rights and privileges of individual member states* (like their French counterparts) in order to avoid any interference with the tactical domestic goals of the individual communist parties in Europe. Only those few problems that cannot be solved at a national level should be dealt with in a European forum (energy, for instance).^{*} But European-wide questions require European-wide representation, and the Italian communists have placed strong emphasis on the need to unite with other European forces of similar persuasion in pursuing their goal of a Socialist Italy in a Socialist Europe. It is with this end in mind that they have called for revisions of the Treaty of Rome that includes the suppression of all rules that prevent the admission of Communist states (at the very least, the PCI wants to see an expansion of trade and commercial exchanges with Comecon as a means of reuniting Europe and, possibly, reduce the Soviet hegemonic system in the East); the establishment of criteria for full multilateral economic cooperation with strict assurance of the autonomy of the participating countries (hence a rejection of any supranational authority), and subject to the approval of the national parliaments (in order to bypass the ministries where the PCI is not represented); the revision of the Common Agricultural Policy, particularly as far as the protectionist levy system is concerned; and new forms of relations with the associated countries in Africa.

^{*} See Feld, op. cit., pp. 262-3.

(Explicitly to safeguard them against outside economic hegemony and political influence, but implicitly to safeguard Italy too against a possible competition from other Mediterranean countries whose primary exports often parallel Italian exports to the EEC countries.)*

But the PCI would also "police" other communist parties in order to strengthen its domestic legitimacy. Thus, following earlier but unanswered calls, Berlinguer asked in January 1974 for "common initiatives by the communist parties of the capitalist countries" to facilitate the "democratic renewal of Europe" through the promotion of a "dialogue, convergence, and understanding among democratic forces of different inspiration, with full respect for the personality and the autonomy of each."** The informal alliances with the PCF and the Spanish Communist Party, and the strong condemnation of the Portuguese communist party, combined with an escalation of the PCI's criticism of the internal policies of the Soviet Union to form a "euro-communist front."

The Outlook of Europe Toward the PCI

How specifically destructive would the PCI's governmental action be on the EEC is difficult to say. On the question of the CAP, for instance, the PCI has been especially outspoken in its criticism of the Communities' policy, which has been dismissed as "complete chaos ... (it) demonstrates the state of anarchy into which the European Community has fallen ... It no longer makes sense to speak of a CAP. Compensatory imports and monetary fluctuations have in fact dismantled

* Ibid.

** Berlinguer, "Costruire una Europa Nuova," in A. Tato, ed., La Questione Comunista (Rome, 1975), pp. 675-82.

the cardinal elements of that policy."^{*} Instead of price protection the PCI wants social and economic reforms in the countryside, reforms which are regarded as indispensable to Italian agriculture. This, however, does not seem to place the Party in a position of major confrontation with the commission, parts of which, too, favor structural reforms in agriculture -- assuming, of course, that both sides hold a compatible perspective as to what "structural reforms" actually mean or imply. On the question of tariffs, the PCI has explicitly said it would enforce, if and when necessary, the imposition of quotas on imports of meat and oil, for instance, and that it might decide on further trade restrictions, as needed, in an effort to cut off the outward flow of currency. All in all, the PCI often sounds more nationalistic than any other Italian group. Its participation in the Italian government would not truly imply a systematic change in the positions taken by Italy in the Communities. It would, however, imply a new "hang tough" attitude which would, obviously enough, exacerbate further existing divisions and controversies within the Community. To be sure, in the event of a conflict between socialist priorities and EEC rules, the PCI (like the PCF) would give precedence to the former, but, in the short run at least, the PCI will be anxious to avoid such conflicts; however reluctantly, the PCI remains conscious of Italy's current status as an economically weak and more dependent state, and it will stay away from excessive and admittedly self-defeating dogmatic practices which it has avoided thus far, so long as the Commission grants Italy the assistance it seeks without inclusion of additional guidelines that would threaten the Party's socialist objectives.

Conversely, the Community is likely to cooperate with the PCI, if and when

* L'Unita, October 12, 1976.

the PCI enters the Italian government. While it remains community policy to avoid comments on the domestic affairs of its members, Roy Jenkins, the new President of the Commission, recently implied such an initial good will: "The idea that one should respond to the problems and difficulties in Italy by saying that you have got too many communists in your country, therefore we'll turn you out, well, it will be an extremely short-sighted counsel of despair which I don't know that anyone's advocating."* Not surprisingly, the Commission displayed notable signs of relief when the results of the June 1976 election were tallied. Yet, by and large, it is to be expected that it will continue to maintain a formal distance from interference in the domestic affairs of the member states.

In the context of trans-European relations, compromise and flexibility are also the most desirable and most likely guidelines which European governments will adopt in dealing with the PCI. Of course, as long as the Italian communists stay in the opposition, comments will be made from time to time to question the availability of EEC benefits to any post-marxist government (West Germany) or to warn against the "serious social and economic repercussions" which a communist participation in the Italian government would have on Italy and Europe (France). Yet, significantly enough, Chancellor Schmidt's party maintains an excellent relationship with the PCI, and Schmidt himself (at times equally harsh on the CD as he is on the PCI) has been reported to be in favor of a wait and see attitude. As to Giscard, whose relationship with Bonn has become all the more tepid as the latter's response to Mitterrand has become warmer, his position clearly depends on the evolution of the balance of political forces with France prior to, and in the aftermath

* Interview with Martin Agronsky, Background Information, European Community, January 27, 1977.

of, the legislative elections of March 1978.*

In the case of Europe, as in the case of NATO, the danger is that European leaders might nevertheless indulge in self-fulfilling prophecies. If a "European reassessment" leads to threats of a curb on vital financial aid, the PCI, regardless of its intentions, would probably find much support in Italy for turning sharply to the left, and even asking from the East what the West would refuse to provide.** But such an action by Europe is unlikely, regardless of the ideological preferences of its government; the Italian economy is an integral and crucial part of the West European network of economic and political linkages: to "destabilize" Italy would have highly negative consequences for the European area as a whole in terms of economic costs of dislocation and transition, as well as in terms of political costs (anti-Atlantic and anti-communist feelings with possible impact on the electorate).

Perspectives on Italy

What the PCI will do after it enters the government is not specifically predictable. As Robert Schaetzel properly puts it, "After extensive exposure to Communists and non-Communists in Rome, Bologna and Milan, I am convinced at the moment the question is unanswerable."*** The question, notice, is now whether the PCI is Communist, Atlanticist, or Europeanist. These are questions which are debated far more heatedly outside of Italy than they are in Italy. As L'Unita put it a few years ago --- the PCI's communist identity is "not the point at issue --

* The Economist, May 22, 1976, pp. 64-5.

** New York Times, May 18, 1976.

*** J. Robert Schaetzel, "Italy: A Challenge for Europe," Washington Post, December 19, 1976.

it is beyond dispute."* As such, to expect a sudden de-communicization of the Party, as The Economist recently asked, is not very realistic, to say the least. The PCI is a "good European" to the extent that it remains an "anti-Atlanticist": the Italian communists could not afford not to choose between being European and being Atlantic, and they opted for the former without, in an age of detente, having to reject the latter.

Almost certainly, the PCI's arrival will create substantial difficulties for the Community -- be it the European or the Atlantic Community. This too is beyond dispute. Just as what is beyond dispute is the continuation of the Party as a major governing force in Italy over the next few years.

What makes such a continued role, in whatever form it might take, inevitable -- if not, as many see it, desirable** -- relates to the decline of the CD as much as it does to the rise of the PCI. To be sure, were the CD leadership capable of containing this decline -- put an end to the Party's factionalism, revive the bureaucracy, renew the Party's direction, etc. -- then maybe the electoral trends of the past few years could be reversed. But, Andreotti's generally sound performance notwithstanding, little that has happened of late shows a Party engaged in a meaningful, substantive, and effective reform. In the meanwhile, the PCI's appeal grows steadily. As it has been repeated so many times, it is already a governing party, which administers most Italian cities as well as a number of provincial governments and regions, which controls a significant number of key

* L'Unita, June 12, 1976.

** Consider, for instance, the views of Guida Carli, head of the Bank of Italy for 15 years, and now President of Confindustria. Washington Post, November 5, 1976.

committees in Parliament, which must be consulted formally and informally with regard to national policies, and which exercises a dominant influence on the whole trade union movement through its own trade union federation.

It is therefore difficult to think of a scenario that would not leave the PCI as a major force on the Italian political scene. Its ascendancy over the past 30 years has made of the Party a "national" party because its success encompasses every single geographical region (and no longer the central regions only as it was formerly the case) and, in Sidney Tarrow's words, a "populist party" because its expansion has not taken place within narrow class lines. Simultaneously, the widespread dismissal of the CD's divisions, ineptitudes, and corruption, when compared with the excessive presentation of PCI efficiency at the local regional level, has paradoxically transformed (in the eyes of many who do not vote communist) a revolutionary party into a national party of law and order.

In sum, the rise of the PCI and the related decline of the DC has been the result of the steady and progressive deterioration of the administrative, economic, and social fabric of Italy. It has not been the result of a growing support for communist ideology proper. Such increasing legitimacy of the Party at home has been facilitated, but not caused, by the evolution of the PCI's foreign policy alignments. It will be reversed or confirmed on the basis of its domestic performance after it enters the government (whether as part of a compromesso storico, or as the majority party of a popular front, with or without Republican participation, or even as a minority government), following years of convenient ambiguity over what its administrative, economic, and social policies will actually be.

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<p>These seminar papers focus on the potential implications for U.S. and NATO of formal PCI participation in the Italian government. They provide an analysis of the current Italian political climate, explore the potential directions of PCI policy, and examine the options available to the U.S. and NATO if and when this occurs.</p> <p>As the West's most stable ally in Southern Europe, Italy</p>		

is a vital geographic key to the security of the Mediterranean. Changes in Italian foreign policy would disrupt the regional power balance and present serious implications for the global balance as well.

The papers conclude that the PCI would continue to be "all things to all people" initially and pursue policies favorable to "Italian national interests," avoiding abrupt changes. The nature of the PCI, however, will necessarily raise serious questions about the wisdom of future Italian participation in NATO.

Several assessments were made. First, the U.S. would be wise to move slowly and cautiously at first. Second, NATO must initially have to try and accommodate to the changing circumstances of Italian membership. Finally, it was agreed that an Italian government led by a PCI in coalition with traditional democratic parties, could feasibly remain a member of NATO in an international environment modified by detente.